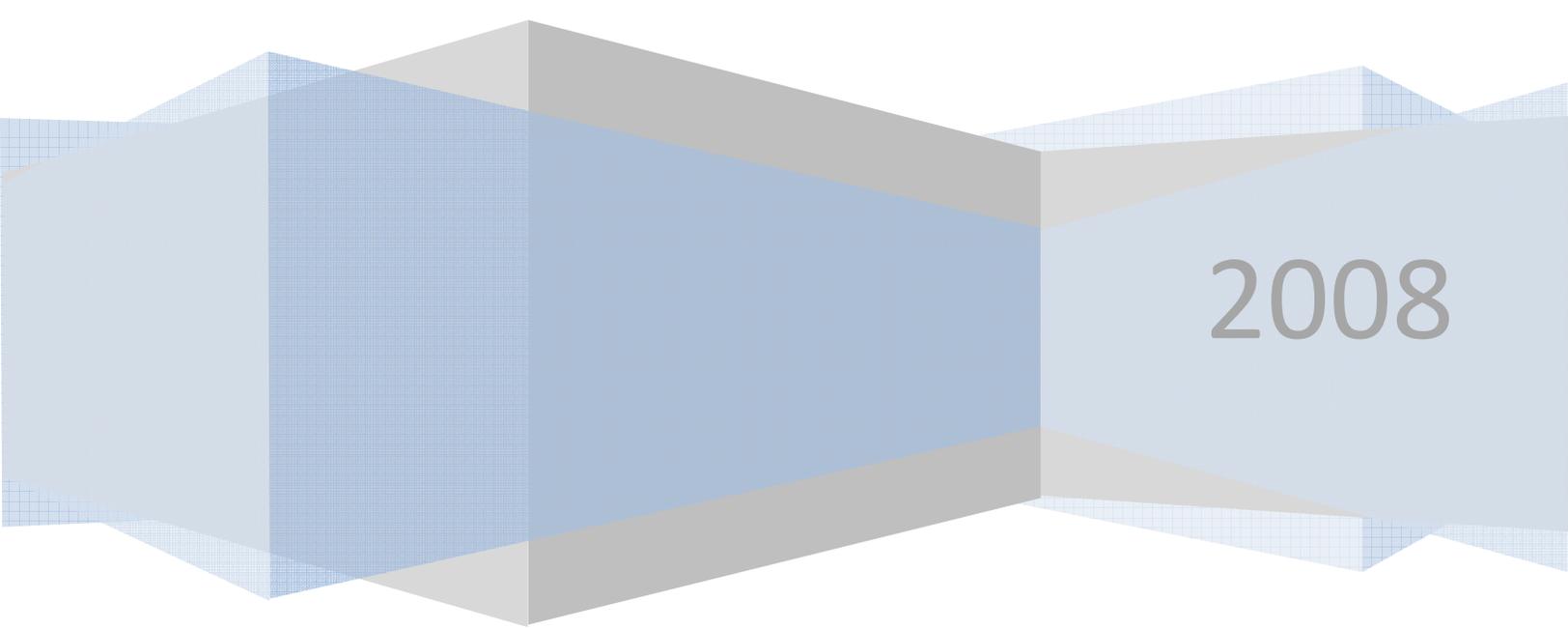


MISSISSIPPI LOW INCOME CHILD CARE INITIATIVE

# MISSISSIPPI CHILD CARE QUALITY IMPACT STUDY



2008

# **MISSISSIPPI CHILD CARE QUALITY IMPACT STUDY**

## **SUBMITTED TO**

MISSISSIPPI LOW INCOME CHILD CARE INITIATIVE

MLICCI

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## BACKGROUND

The need for quality child care in Mississippi is unequivocal. Research provides compelling evidence of the value and benefits of high-quality early childhood education programs. Entering kindergarten ready to learn, improved academic performance and the prevention of later school failure are a few of the benefits of quality early childhood education (National Center for Education, 2000).

In recent years there has been increased attention to the quality of care provided in child care settings. Practitioners, policymakers, parents and advocates all recognize the importance of quality childhood experiences in the early years. Additionally, current research establishes a clear correlation between early education and poverty (Snow, Barnes, Chandler, 2001). Specifically, quality early childhood education is a demonstrated pathway out of poverty. This same literature further affirms that the children who benefit the most from quality child care are poor children. Because of the high incidence of child poverty in Mississippi, the need for quality child care in the state is indisputable.

Recognizing the need for and benefits of quality child care, in 2007, the state of Mississippi piloted a voluntary child care quality enhancement program. The Mississippi Child Care Quality Step System (MCCQSS), called STEP, is designed to assess and improve the quality of licensed child care in Mississippi. This differential reimbursement system will pay a higher subsidy rate based on the quality rating of the child care center. STEP seeks to improve the quality of child care by addressing five areas:

- Administrative Policy
- Professional Development
- Learning Environments
- Parent Involvement
- Evaluation

Using the five domains above, quality criteria have been developed for each of the steps. The underlying premise of STEP is that financial incentives through this tiered system will encourage child care providers to improve the quality of services they provide.

STEP consists of a five-step ascending quality improvement system. Step 1 is the minimal level which is required for state licensure. The highest quality rating is a Step 5 designation. The Step level determines the rate of reimbursement the facility receives for each subsidized child in its care. The higher STEP levels have a corresponding higher reimbursement rate. The financial benefits of STEP, as reflected in increased subsidy reimbursement, are as follows:

- From Level 1 to Level 2 provides a 7 percent increase;
- From Level 2 to Level 3 provides a 10 percent increase;
- From Level 3 to Level 4 provides a 15 percent increase; and
- From Level 4 to Level 5 provides a 25 percent increase.

After the parents' co-pay is subtracted from the amount of the certificate, the center receives the percent increase that corresponds to their STEP Level.

Eight regional planning and development districts and one Head Start organization are the mechanisms through which subsidized child care services are delivered in Mississippi. The pilot phase of STEP was implemented in January 2007 in the East Mississippi Planning and Development District (PDP). There are an estimated 112 child care centers in this region, of which approximately twenty five of these centers volunteered to participate in the STEP pilot program.

This study was commissioned by the Mississippi Low Income Child Care Initiative (MLICCI) which is a state wide training, advocacy, and policy change organization of child care providers, parents and community people working collaboratively on the behalf of Mississippi's poor children and their families. Its support for quality enhancement in early childhood education is unequivocal. Further, MLICCI believes that quality early childhood experiences have the greatest benefit for poor children. To this end, the organization is concerned that such programs are designed to yield the desired outcome; thus this study of STEP.

Tiered or differential reimbursement programs are proliferating throughout the country as a viable approach to improving the quality of child care. Many of these programs, when adequately funded, are yielding promising results. This tiered model is predicated on the premise that additional funds will serve as an inducement to improve quality and cover the cost of the improvements of the child care centers. Consequently, the rate of compensation and the cost of improvements become critical factors in the implementation process.

Implementation of STEP without additional funds raises several critical questions. Specifically, is the rate differential significant enough to serve as an inducement? Will this higher rate be adequate to cover the cost of making and sustaining the required quality improvements? Another dynamic is the fact that quality incentives are tied to subsidy density. Specifically, STEP only provides higher reimbursement for subsidized children. How does this affect the motivation and ability of child care providers to participate in the quality improvement program?

Equally important, could the program have a counterproductive effect? Specifically, if there are no additional funds for this program, will the increased tiered reimbursement for subsidy children result in the availability of fewer subsidy slots? Based solely on mathematics, could the increased rate result in fewer slots for subsidized child care? If this is the case, some low-income children could go from low quality child care to no child care. Given these very real questions, MLICCI recognized the need to carefully study the impact of this new child care quality improvement program. It can provide practitioners as well as policy-makers with invaluable guidance in framing an effective state-wide quality improvement program. Thus, the purpose of this study was to examine the impact of STEP on children and child care centers.

## METHODOLOGY

The study was descriptive in nature and focused on documenting the experiences of child care providers in the STEP pilot region. A mixed-method design was used; both quantitative and qualitative data were collected.

A survey and in-depth interviews with the child care sites in the pilot region was conducted with a purposive sample of both STEP program participants and non-participants. The questionnaire was mailed to all child care center directors listed on a roster of child care centers in the region (N=112); a total of 42 (37.5%) usable questionnaires were received from the directors.

The thirty five (35) item questionnaire with fixed responses (See Appendix) collected data in six critical areas:

- Child Care Center Directors' Experience and Credentials
- Child Care Center Structure and Facility
- Full-time Child Care Teaching Staff
- Child Enrollment
- Center Parent Activities
- Quality Improvement Program (STEP)

As a participation incentive, child care providers returning a completed survey received a \$50 gift card for educational materials.

In-depth interviews were conducted with a purposive sample (N=20) of center directors. Structured open-ended questions guided the in-depth interview with the sample of STEP child care directors, and non-participants recruited through MLICCI trainings and the mailed survey. The interviews focused on a detailed discussion with child care directors regarding their participation or non-participation in the STEP program. Participation in the interviews was voluntary; each interview took approximately one hour. As an incentive for participation in the in-depth interview, each director was provided an educational kit for their center which included books, ethnically diverse dolls, and games.

Qualitative analysis is usually done to explain and understand a phenomenon from the perspective of those being investigated. To this end, the interviews were designed to further understand the child care quality improvement process in Mississippi by examining the experiences of child care providers. This included their perspectives (in their own words) regarding quality improvement, their successes and challenges, and interactions with parents and the subsidized child care system. Relevant and recurrent themes that emerged throughout the interviews were captured.

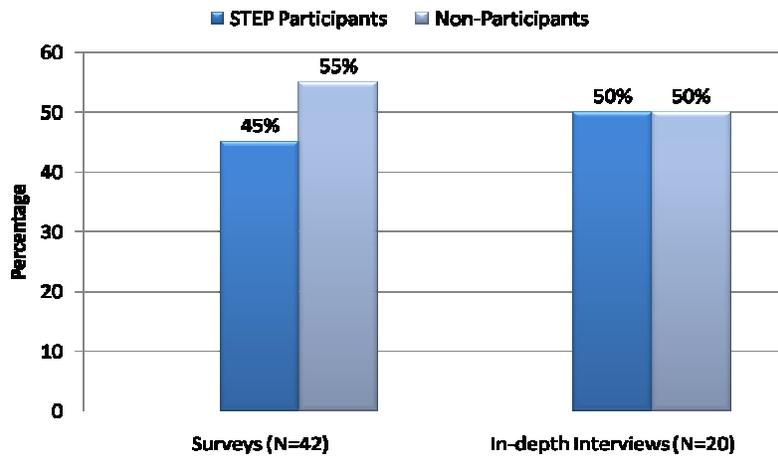
## FINDINGS

*Who participated in the Child Care Quality Impact Study? (Charts 1 and 2)*

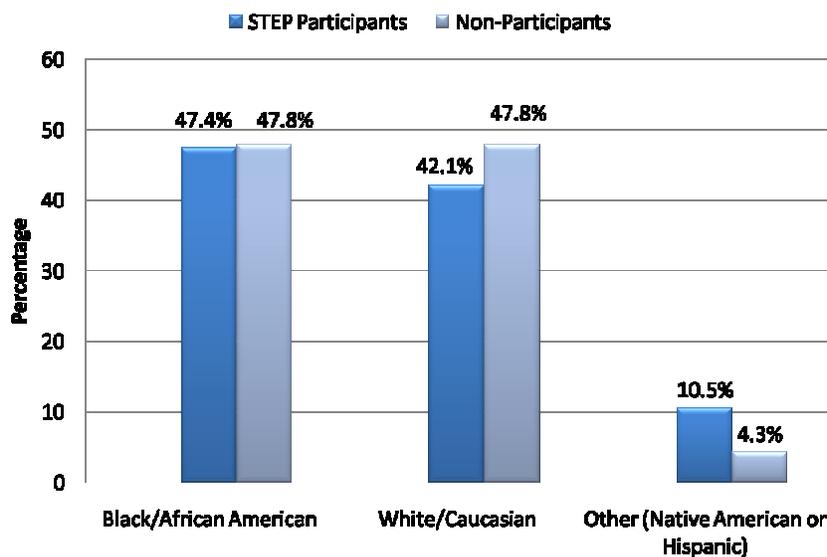
- Among the survey respondents, there was slightly more non-STEP participants; among the interview respondents the two groups were equally divided between STEP participants and non-participants. Racially, the two groups of survey respondents were equally divided between African-Americans and Whites, and included Native American and Hispanic directors.

- In addition to the survey, in-depth interviews were conducted with a diverse group (N=20) of child care center directors. The interviews were conducted over a two month period with the center directors and included inquiries related to the operation of their child care centers and views and experiences related to the STEP program. The purpose of the interviews was to capture the experiences of child care directors as expressed in their own word.

**Chart 1: Survey and Interview Respondents**



**Chart 2: Race of Respondents by Percent**



## Child Care Director's Experience and Credentials

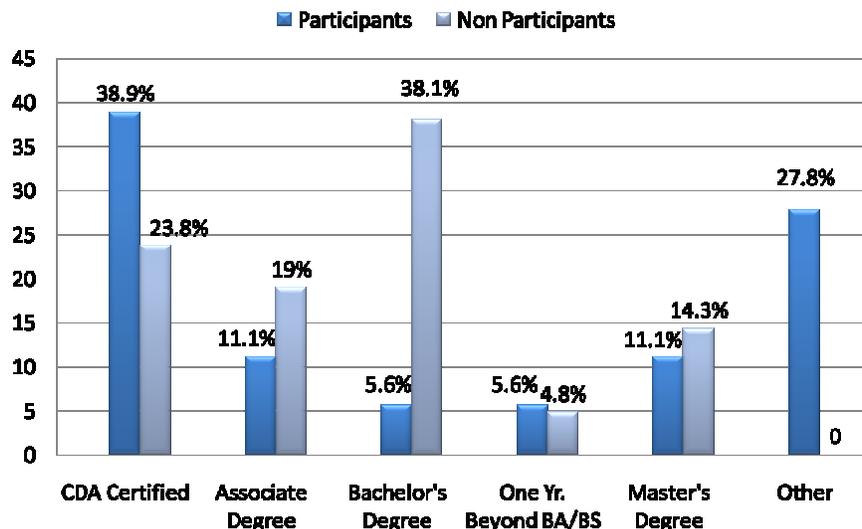
*Were the STEP participants and non-participants different in terms of their child care credentials, experience and training? (Charts 2-6)*

- More of the STEP center directors (38%) than non-participants (23%) had the CDA credential; however more non-participants had a master's degree (14% vs. 11%).
- Child care directors had very similar child care backgrounds, specifically 14 years of work in the child care industry, an average of 8 years as a center director, and ten years as a child care provider.
- Over two-thirds of both groups had the OCY (Office of Children and Youth-MS Department of Human Services) credential.
- STEP participants tended to have more training.

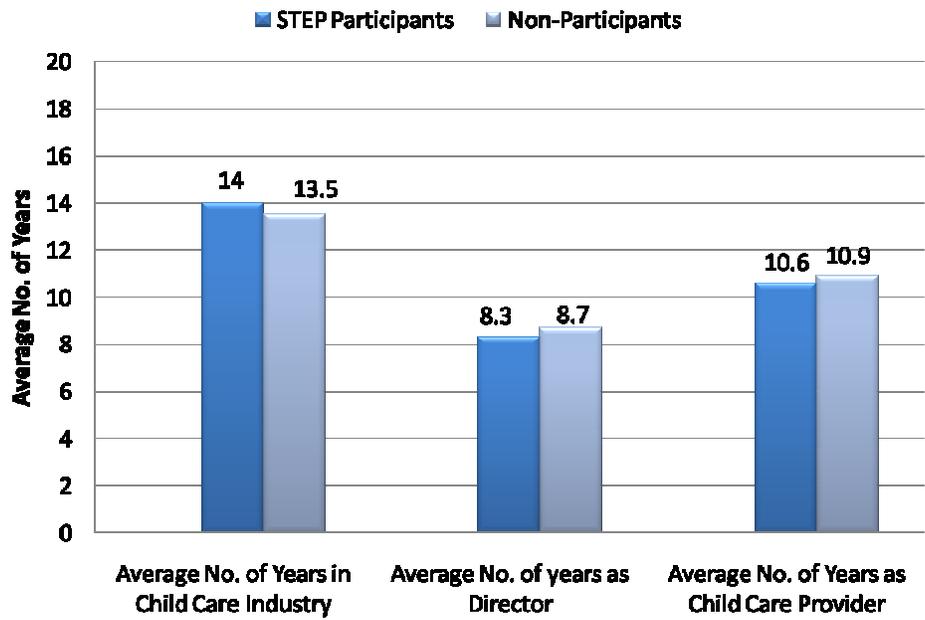
**Professional Development** is one of the five STEP criteria. Therefore, it is critical to advancement within this quality enhancement system. The professional development area includes credentialing and training requirements for both directors and full-time teaching staff. Among the study participants, directors differed little in their years of child care experience.

A majority (75%) of the directors had the OCY credential. However, slightly less than 40% of the STEP directors indicated that the CDA was their highest credential. Presently, this singular criterion limits these centers to a Level 3 since an AA degree and bachelor's degree are required for Levels 4 and 5 respectively. Surprisingly, a larger percentage of non-participants had bachelors and masters degrees. When asked about the number of professional development hours received in 2006, STEP directors tended to have received more hours of training. Nearly 56% of center directors received 26 or more hours of training as compared to 38.1% of non-participants.

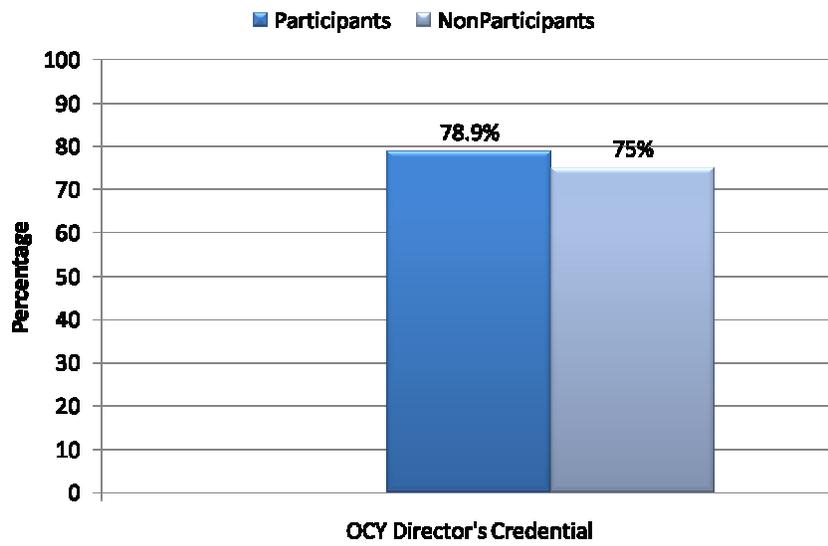
**Chart 3: Directors' Education Level by Percent**



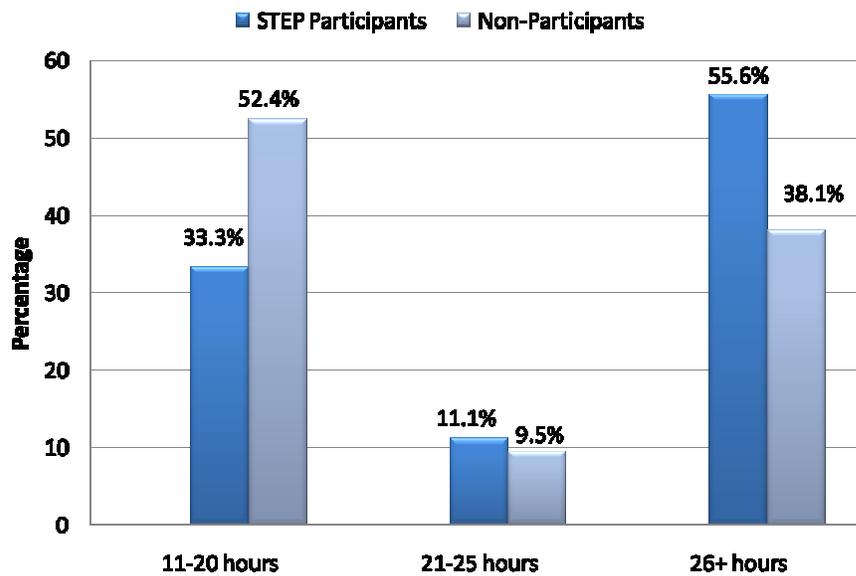
**Chart 4: Directors' Child Care Experience**



**Chart 5: Percentage of Directors with OCY Credentials**



**Chart 6: Directors' Training Hours by Percent**



## Child Care Structure and Facility

*What was the condition of the buildings of STEP participants and non-participants? (Charts 7-9)*

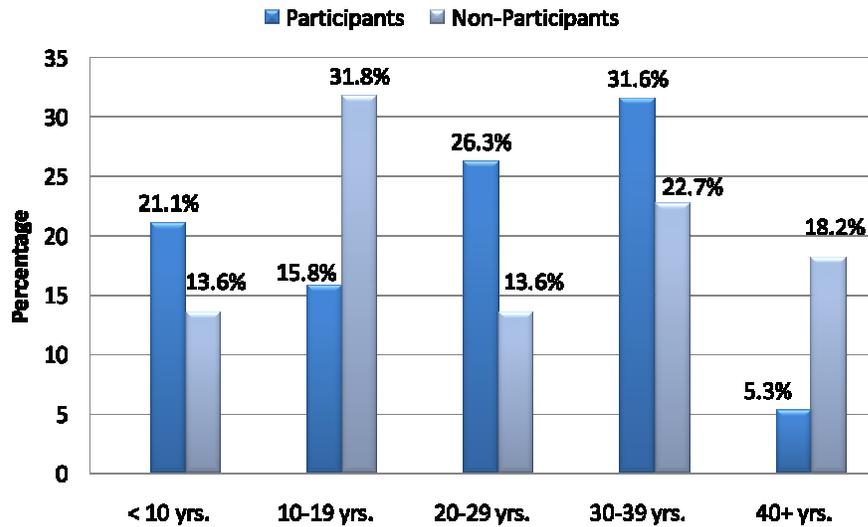
- More non-participants (18%), indicated their building as being 40 years old or older as compared to participants.
- More non-participants than STEP participants needed roofing repairs and more participants needed flooring repairs.
- Interestingly, no non-participants indicated the need for structural changes, other than roofing and flooring, although their buildings tended to be older than participants.
- There was little difference among the centers regarding having adequate playground equipment. Over 60% of both groups said their playground equipment was adequate.
- More STEP centers were located in donated space, specifically churches and the Indian reservation.
- STEP centers tended to be larger and had more classrooms and learning centers.

**Child Care Center Facilities** – The condition of the facility in which a child care center is housed is a critical quality attribute. It is also a very costly attribute. Centers must satisfy stringent, but necessary, minimal facility requirements in order to secure a state child care license to operate. However, in order to enhance the learning environment, there is often a need for major repairs and renovations which can be costly.

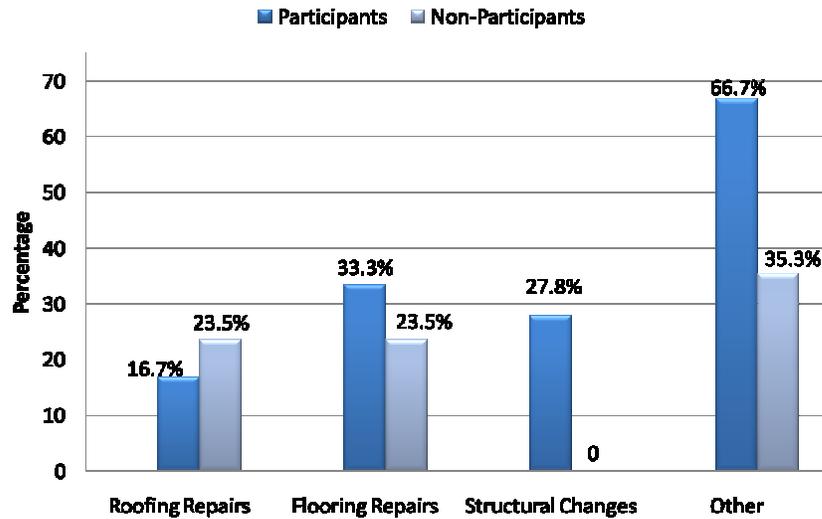
Survey respondents were asked to respond to questions related to the structural condition of their facilities. Inquiry was made regarding the age of the child care facilities of STEP directors and non-participants. More STEP directors indicated their buildings were less than 10 years old. Conversely, while only 5% of STEP directors indicated their building was 40 years old or older, this was the case for 18% of the non-participants. Interestingly however, none of the non-participating directors indicated a

need for structural changes other than roofing and flooring compared to 27% of the STEP participants, although their buildings tended to be older. This could be attributed to reluctance to the non-participants reluctance to self-disclose such information in fear of jeopardizing their licensure status. This information was disclosed during interviews with several directors who discussed the needs of their facilities and their experiences addressing those needs.

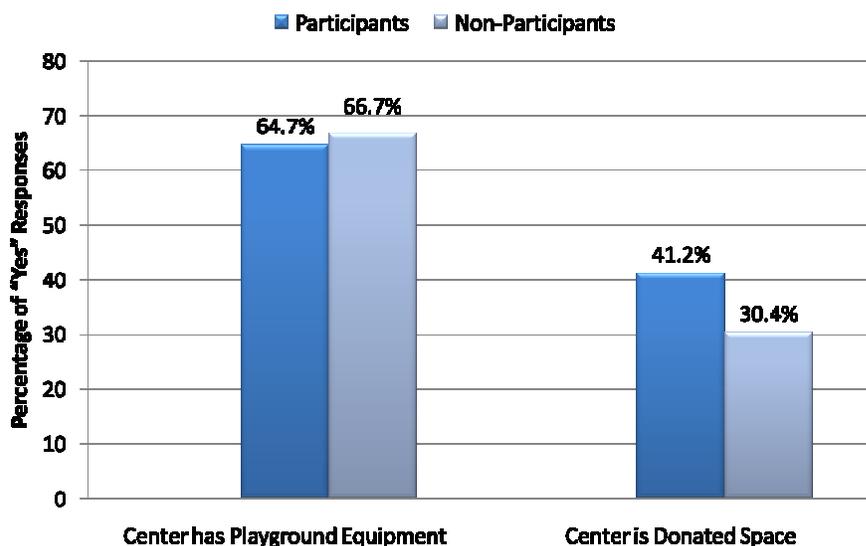
**Chart 7: Reported Age of Child Care Center Building by Percent**



**Chart 8: Percentage of “Yes” Responses to Type of Repairs Needed at the Child Care Center**



**Chart 9: Percentage of “Yes” Responses to Questions about Centers’ Playground Equipment and Donated Space**



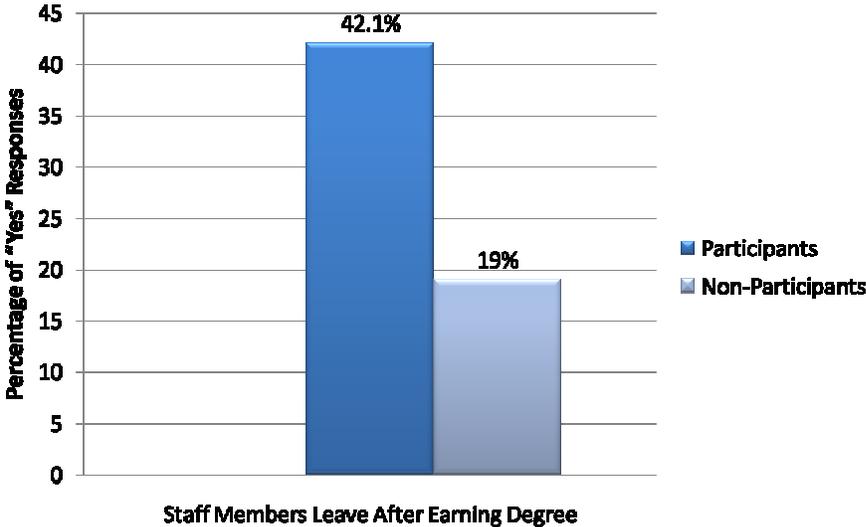
## Full-Time Child Care Teaching Staff

*What are the credentials of the Child Care Teaching Staff? (Table 1, Chart 10)*

- Participating centers had more classrooms and correspondingly more teachers. However, staff credentials differed little and less than one-third of the teachers at STEP and non-participating centers had a CDA or higher credential. Staff of STEP Centers had more prepared lesson plans.
- Almost half (42%) of STEP participants and 19% of non-participants indicated they had staff members leave after obtaining a higher degree.
- The five primary sources of training for teachers (in descending order) were: MSU Cooperative Extension Service, Mississippi Department of Health, MSU Early Childhood Institute, local child care agency, and OCY credentialing.

Table 1: Full-time Child Care Teaching Staff			
	Overall	STEP Participants	Non-Participants
Full-time Teaching Staff	200	116	84
Full-time teachers w/ HS Diploma or GED	190	111	79
Full-time teachers w/ CDA or higher	58	34	24
Full-time teachers who received at least 15 hrs. of staff development outside the center	179	107	72
Full-time teachers who prepare weekly lesson plans	128	91	37

**Chart 10: Percentage of “Yes” Responses to Question Regarding Staff Members Leave After Obtaining Higher Degree or Credential**



**Full-time Teaching Staff** – The quality of child care is inextricably linked to the education and experience of the instructional staff. It is therefore not surprising that the professional development criteria in STEP include credentials and training of fulltime teaching staff. Through consistent teacher training, it is believed that children will have access to early childhood environments and trained staff members that will provide them with a strong early education.

The survey findings indicate that almost half and one-fourth of the STEP and non-participating directors respectively, indicated that they have had staff members to leave after obtaining a higher degree or credential.

During the interviews, the directors consistently shared their desire to have a cadre of skilled early childhood caregivers, and shared compelling stories concerning their struggles in this regard. Improving staff training and raising the level of professionalism among staff were indicated by STEP participants as their number one reason for participating in the STEP program. They identified improvement in instruction as a critical need for improving quality in their centers. STEP was seen as a means of motivating and enticing teachers to receive additional training. The training provided received mixed reviews. STEP directors viewed the training as an invaluable resource which helped their centers. On the other hand, several directors reported that the additional training, although provided at no cost by the state or universities, was not positively received by some of their teachers. In fact, several respondents indicated that they had lost teaching staff as a result. Many of the centers have older teachers with considerable longevity and are excellent nurturers; but lack credentials and are unwilling to pursue formalized training.

Further, the directors indicated that their operating budgets would not allow them to make comparable increases in the wages of those teachers who did receive additional training. Consequently, there was a strong feeling among the directors interviewed that there was no meaningful incentive for teachers to receive additional training. This was also viewed as a major hindrance to attaining the highest STEP level which is Level 5. On the other hand, directors were forthright in acknowledging that the Office of Children and Youth training had been helpful in preparing participating teachers for the CDA examination.

## Child Enrollment

*What are the licensed capacity and the subsidy density of the STEP and non-participating centers? (Table 2)*

- Overall, the centers' enrollment was at 65% of their licensed capacity.
- For both STEP and non-participating centers, approximately one-third of the children enrolled were certificate children.
- The average number of certificate children at STEP participating centers was twice that of non-participating centers. This was understandable, because STEP centers were larger and able to serve more children.

**Table 2: Enrollment at the Child Care Centers**

	Overall	STEP Participants	Non-Participants
Number of children the centers are licensed to serve	2160	1310	850
Total number enrolled in child care center	1414	871	543
Total number of certificate children	456	274	182
Percentage of certificate children	31%	32%	33%
Average number of certificate children	13.4	19.6	9.1

**Subsidy density** has significant implications for the STEP program. It is defined as the percentage of licensed capacity of a child care center filled by child care subsidy certificates. Subsidy duration is the average length of time a child retains a child care certificate following initial issuance.

As aforementioned, STEP reimbursement is tied directly to subsidy density. Increased reimbursement is based on the number of subsidized children in the center. The above data indicates that at STEP and non-participating centers, approximately one-third of the enrollment consisted of certificate children. Given this low subsidy density, regardless of the investment in quality enhancement, the increased reimbursement is restricted to certificate children.

Securing and maintaining a certificate is often an arduous process. One director indicated that she had lost seven certificate children from two families because the parents were late in getting their certificates renewed. Another director reported that in the past year she had lost thirty (30) certificate children primarily because the paperwork was not submitted in a timely fashion. In several instances the directors maintained the children with the expectation that they would be recertified, which did not happen. This represented lost revenue for the center.

The number of certificate children in the center is inextricably linked to the quality enhancement incentive. Therefore, this has a powerful influence on a director’s decisions to participate in the STEP program.

## Center Parent Activities

One of the five STEP criteria is parent involvement. The importance of parental involvement in the early education of their children has been well established in the literature. It is also well known that this can be a challenge for child care providers. Nevertheless, it is required that centers address this area successfully in order to climb the STEP ladder.

The following chart reflects the parent involvement requirement at each level. The numbers in parentheses indicate the percentage of STEP and non-participating (NP) centers that reported having the specific parental involvement activities. It is clear that more STEP Centers provide parental involvement activities. No respondents indicated having a parent involvement program, monthly newsletter or bi-annually parent teacher conferences.

Table 3: STEP Parent Involvement Criterion				
LEVEL1	LEVEL 2	LEVEL 3	LEVEL 4	LEVEL5
-Licensed Child Care Center	<ul style="list-style-type: none"> <li>-Bulletin Board for parent communication (STEP-100%, NP-82%)</li> <li>-Quarterly Newsletter Calendar (STEP 68%-NP-26%)</li> <li>-Annual P/T Conference (STEP-68%, NP-50%)</li> </ul>	<ul style="list-style-type: none"> <li>-Weekly notes to parents (STEP-84%, NP-69%)</li> <li>-Parent Education</li> <li>-Training (STEP-42%, NP-13%)</li> <li>-Parental Lending Library (STEP-68%, NP-39%)</li> </ul>	<ul style="list-style-type: none"> <li>-Parent Involvement Program</li> <li>- (STEP-42%, NP-17%)</li> </ul>	<ul style="list-style-type: none"> <li>-Parent/Teacher Conference (twice a yr.)</li> <li>-Monthly Newsletter</li> </ul>

## Quality Improvement Program (STEP)

Both survey and interview respondents were queried regarding the STEP program. They were asked to share their reasons for participating or not participating in the program, their perspective on child care quality, and views on the STEP criteria. The chart below is a summary of the STEP respondents’ reasons for participating in the program followed by discussion.

Table 4: STEP Respondents’ Reasons for Participating in STEP Program
<ul style="list-style-type: none"> <li>•Felt STEP could help improve quality of center</li> <li>•Hopeful that STEP would relieve some of the financial strain associated with quality enhancement and daily operation</li> <li>•Viewed as a means of increasing and improving staff training and raising the level of professionalism</li> <li>•Saw STEP as a marketing and public relations tool</li> </ul>

While some directors indicated that more money was not the primary motivator for them, others were hopeful that STEP would supplement their strained operating budgets. They felt they were in such a financial strain, that they had no choice but to enroll in the program. But even those who admitted needing the additional funds said they weren't sure that the amount of money they would receive would offset the added program requirements. For example, one provider, who has a large center and a large staff that is unhappy about having to participate in the STEP program, projected that movement to the next level would realize a \$300 to \$500 increase per month for her center, but felt "That's not enough to do that much".

STEP respondents were asked to address specific costs incurred in addressing quality issues. Costs that centers incurred ranged from \$100 to over \$5,000. Most centers fell somewhere in between. Most have had to build shelves, work on playgrounds, paint, create or improve learning centers. Some have purchased puzzles, and books and rugs. One center director reported needing to build a \$2,000 canopy to shade its playground.

STEP directors were queried regarding how they handled up-front costs associated with improving quality. The responses consistently reflected the resourcefulness of these directors. The skills and expertise of family members were a major resource. It was helpful when a director or his or her spouse had special skills, like carpentry. One couple said they saved several thousand dollars by building shelves themselves. They said they even rescued some carpet from a vehicle accident site to wrap shelves for their center's toddler room.

Other directors indicated that their husbands have done some of the required work on their center's structures. Others said they bartered with licensed contractor friends to do work for them. Those who had substantial work done said they would have had to struggle financially if they had not had someone to do the work at cost or at least at a discounted rate. On the other hand, centers located in churches and those that are part of the Mississippi Band of Choctaws, have major work paid for by their church or their tribe.

Marketing and public relations was another reason given for participating in STEP. While some directors saw participation in the STEP program as a means of distinguishing themselves from centers that weren't participating, others were not so inclined. One director said it was a good "public relations tool"; another said that a STEP staffer had told her being in the program would give her "bragging rights," and that parents would know her center was working to provide quality care, as opposed to centers that might not be doing so. Another director, whose center was the only licensed center in her small rural town, said she was comfortable with using participation in the STEP program as an indicator of the quality of a center.

Views on STEP Criteria – During the interviews, STEP directors were asked to share their observations on the five quality improvement criteria which are reflected in the following chart. Their responses were mixed. The directors were unequivocal about their commitment to providing quality child care services. Their participation in multiple childcare training programs affirmed that commitment. The criteria that directors saw as the major challenge were motivating teaching staff to receive training and then retaining them, and meeting the parent involvement requirements at the higher STEP levels. They felt that they benefitted from STEP although the required paperwork was burdensome and placed additional demands on an already overburdened staff. STEP directors were not sure however, that the additional reimbursement is worth the effort and cost required in moving up the STEP ladder, but were nevertheless willing to give the program more time.

**Table 5: STEP Respondents' Perspectives on STEP Criteria**

<b>Administrative Policy</b>	Only needed to refine current policies. Documentation excessive and time consuming.
<b>Professional Development</b>	Viewed as a way of motivating staff to get more training. OCY training helped prepare for CDA exam.
<b>Learning Environment</b>	Most have benefitted. Major required changes were adding items like sand and water tables, rugs, learning centers, etc.
<b>Parent Involvement</b>	Difficult to get time with parents. Primary parental contact is during drop-off and pick-up.
<b>Evaluation</b>	Evaluation of children built into curriculum.
<b>Overall Assessment</b>	Pleased with most aspects of the program. Have benefitted a great deal from STEP. Found paperwork cumbersome. Not sure additional reimbursement is worth the effort and cost, but is willing to give program more time.

**Administrative Policies** – Most directors said their administrative policies needed only to be tweaked, but that tweaking involved burdensome paperwork. Directors said they found documenting everything time-consuming, particularly since they are overworked already. Some said they didn't have the staff to get out regular newsletters, while others said they thought they were asked to keep too many folders and document too much. Centers with larger staffs seem to be able to accommodate paperwork more easily, but most directors said they would prefer to keep it to a minimum.

**Learning Environment** – The STEP respondents were forthright in indicating that improvement of the learning environment was one of the areas in which they had benefitted most. The majority of the required changes included adding particular items, like sand and water tables and rugs with numbers and alphabets or creating a dedicated space for kids to learn. Other directors said they added items like books about people from various backgrounds and dolls that reflect diversity in cultures.

Directors had quality improvement plans that addressed issues that STEP evaluators have told them needed correcting, and other items they have been interested in changing even before they started participating in the program. Items on the plan included making playgrounds safer, adding shelves, putting down rugs and buying tables, puzzles and books.

**Environmental Rating Scale (ERS)** – Some directors did not share their scores with the interviewers for various reasons; they were not easily accessible during the interview, could not find them, didn't remember them, or did not wish to share them. The scores obtained ranged from 2.5 to 5.75.

**Professional Development** – This criterion was in many ways a double edged sword. While it is viewed by STEP and non-participating directors as a critical need, it was viewed as a source of staff attrition. As aforementioned, often teachers chose to quit their jobs rather than get additional training. Also, many of the directors reported that they had previously experienced losing staff once they received additional training. Their inability to pay higher wages and benefits was also a barrier to staff receiving additional professional development.

**Parent Involvement** – The respondents had mixed feelings regarding parental engagement. Directors indicated their primary contact with parents was as they picked up or dropped off their children, holiday dinners and programs where their children performed. Most of the respondents felt that parental involvement was one of the major challenges to their progression up the STEP ladder. They reported that it was difficult to get time with parents. Some said the required parent conferences might keep them from achieving Level 5. Respondents were not optimistic about parents participating in parent involvement program as required at Level 4. On the other hand, other directors said they were pleased with their parents, many of whom were supportive, willing to volunteer and even helped the center raise funds.

**Evaluation** – Directors had some way of evaluating their children and staff. Most evaluations were built-in to their curriculum. Most centers evaluated students at least once a year while a few tested them twice. Most teachers were evaluated at least once a year during a one-on-one session.

**Level of Aspiration** – STEP directors were asked regarding the quality level to which they aspired. STEP has five levels, ranging from Level 1 to Level 5, for which a center may aspire. The respondents were modest in their STEP aspirations. A few providers said they aspire for Level 5, but most said they thought Level 3 would be the highest level they could achieve. The primary reason they gave for not being able to move beyond Level 3 was education. There was a feeling that given the money and the motivation it would take for their staff to achieve the required education, a Level 5 center was not realistic. The more educated a director and/or his or her staff was, the more likely she/he believed their centers could achieve level 5. For example, one director who has a Bachelor's degree and whose daughter is getting her Bachelor's degree said her daughter plans to join her in opening a second daycare center that she hopes will provide childcare 24/7. She was confident she could reach Level 5.

Respondents were asked about their level of comfort with being able to attain and maintain the desired STEP level. All of the directors said they felt *very* confident that they could maintain the level they had achieved or were shooting for – even those few who said they would try to reach the top level. Their confidence might be built on the fact that most directors said they were only going to try to reach Level 3.

### **Non-Participating Respondents**

The non-participating directors were also asked to share their reasons for not participating in STEP and their general views on quality. Like STEP directors, the non-participating directors expressed a strong commitment to child care quality and wanted to participate but were unable for a variety of reasons see Table 6).

**Table 6: Non-Participants' Reasons for Not Participating**

- Lack of funds, amount of up-front cost (repairs and purchases) was viewed prohibitive
- Fear that staff training requirement would result in resignation, and would be unable to pay and retain staff once trained.
- Amount of required paperwork viewed as excessive.
- Lack of time, staff already overextended.
- Prefer to focus on “nurturing” and less on academics.
- Uncomfortable with an unfamiliar and impersonal assessment process.

The non-participating respondents had strong sentiments regarding the STEP program. First and foremost, there was a very positive attitude toward recognition of the need for childcare quality. There was a compelling view that associated cost prohibited their participation in STEP. For example, a director indicated that she had to drop out of the program because of her expenses. She borrowed \$18,000 to make some major structural repairs including a roof that the STEP evaluators said she needed, but was unable to keep up with all the requirements. She said she had to help employees with expenses associated with getting training, and that she just couldn't afford it.

Secondly, non-participating respondents indicated that while their staff could benefit from additional training, many were resistant to the idea. Directors indicated that some older staff was disinclined to participate in formalized training and some chose to resign rather than do so. Many reported high attrition among staff members once they received additional training or a credential. Staff would leave for higher wages and benefits in other settings such as Head Start and public schools.

In reference to documentation, which is a significant part of quality enhancement, directors viewed the paperwork requirement as excessive and burdensome for an already over-worked staff. One director stated “It's to the point that I can't put one more thing on my plate”.

A less frequently shared view was the perspective that nurturing students was preferred over “academics”. One director pointed out that her center places a high value on the nurturing role which many of her enrollees are lacking. She further indicated that she has been in business for several decades and her students were quite competitive upon entry into public school. Some of the non-participants also expressed a degree of discomfort with what they viewed as an impersonal assessment process which appeared devoid of any understanding of the social and cultural milieu of the children and families these centers serve.

# Summary of Key Findings and Recommendations

The following is a summary of the major findings and concludes with several recommendations.

## Commitment to Quality

Childcare directors, both STEP participants and non-participants, are very committed to providing quality services. This is evidenced in several ways.

- Their sustained efforts in providing childcare services, despite major challenges.
- The provision of childcare services to some children without compensation, in an attempt to continue services to poor children and families during prolonged periods of recertification.
- Utilization of personal resources in order to maintain center operations. Some directors do not pay themselves a regular salary while others rely on family members for assistance and fundraising such as grant seeking, individual donations and bake sales.
- Childcare providers have shown considerable ingenuity and resourcefulness in finding ways to address quality enhancement needs including utilizing the skills and expertise of family members, as well as bartering for needed resources.

## Professional Development

- The Child Care Directors had very similar child care backgrounds in terms of the years of work in the child care industry, years as a center director, and years as a child care provider.
- More of the STEP Center Directors than non-participants tended to have the CDA credential; however more non-participants had a master's degree. Over two-thirds of both groups had the OCY credential. STEP participants tended to have more training.
- Less than one-third of the teachers at STEP and non-participating centers had a CDA or higher credential. Almost half of STEP participants, compared to almost one-fifth of the non-participants indicated they had staff members leave after obtaining a higher degree.
- Non-STEP participants reported high attrition among staff members once they received additional training or a credential. Staff would leave for higher wages and benefits in other settings such as Head Start and public schools.

## Center Facilities and Environments

- More non-participants (18%) reported their building as 40 years old or older. Only 5% of participants had buildings this old. Also, more non-participants than STEP participants needed roofing repairs and more participants needed flooring repairs.
- There was little difference among the centers regarding having adequate playground equipment. Over 60% of both groups said their playground equipment was adequate.

- More STEP centers were located in donated space, specifically churches and the Indian reservation. Moreover, STEP centers reported to be larger and had more classrooms and learning centers.
- Respondents indicated that assistance in improving the classroom environment had been one of the most beneficial aspects of their participation in STEP. Most of the required changes included adding particular items such as sand and water tables, rugs with numbers and alphabets, or creating a dedicated space for kids to learn. Other directors said they added items like books about people from various backgrounds and dolls that reflect diversity in cultures.
- Staff at STEP centers had considerably more prepared lesson plans.
- Although not participating in STEP, some non-participants expressed discomfort with the environmental assessment process which they viewed as very impersonal and lacked sensitivity to the social and cultural milieu in which these centers provide services.

### **Center Enrollment**

- Overall, the centers' enrollment was less than three-fourths of their licensed capacity.
- For both STEP and non-participating centers, approximately one-third of the children enrolled were certificate children. Also, the average number of certificate children per center was twice as great among STEP participating centers. Participating centers tend to have more certificate children.

### **Views on STEP**

- Although the required paperwork was burdensome and placed additional demands on an already overburdened staff, participating directors felt that they had benefitted from STEP, especially improvements of the learning environment.
- The criteria that directors saw as the major challenge were motivating teaching staff to receive training and then retaining them, and meeting the parent involvement requirements at the higher STEP levels.
- STEP directors were not sure however, that the additional reimbursement is worth the effort and cost required in moving up the STEP ladder, but were nevertheless willing to give the program more time.
- There was a feeling that attainment of Level 5 was not realistic due to the money and the motivation it would take for their staff to achieve the educational requirement for this level.
- The non-participating respondents had strong sentiments regarding the STEP program. There was a compelling view that cost prohibited their participation in STEP.

## Recommendations

- 1. The Cost of Quality Improvements** – Directors were forthcoming in sharing the financial strain related to the daily operation of their centers. Both the STEP participants and non-participants believed that the ultimate solution to improving the quality of child care in Mississippi is the prerequisite of funding for center enhancements.

A major flaw in the design of STEP is its inextricable link to the childcare certificate program. The financial incentive for STEP quality enhancement is in the rate of reimbursement for certificate children enrolled in a childcare center. First, as documented in this study, many of the centers have a low subsidy density (small number of certificate children), which limits the return on their investment in quality enhancement. Further, the subsidy eligibility period is six months which further limits the return on the investment in quality, particularly given the sometimes lengthy recertification period. Secondly, the quality incentive comes after the fact as a reimbursement; which means the centers must handle the “upfront” cost. Many childcare centers simply do not have the funds to cover such costs which are often capital expenditures. Thirdly, the enhancement costs are often of such a magnitude that they are not offset by the reimbursement rate. Lastly, all of these factors are compounded by significant administrative challenges in the administration of the childcare subsidy program. The clear implication here is that despite the inherent value of STEP, it lacks strong incentives for childcare centers to participate. The lack of new funds and the linkage to the childcare subsidy program are critical design flaws which limit the potential positive impact of this quality improvement program. The program would be significantly enhanced through the provision of funding for major center quality enhancements and a financial incentive structure de-linked from the childcare subsidy program.

- 2. Professional Development** – One of the central quality enhancement criteria is professional development. Once staff receives additional training and credentials, there is a corresponding expectation that there will be an increase in their wages. Since STEP does not include support to sustain an increase in wages, many centers suffer from a countervailing effect which is an increase in staff attrition. Given this reality, it is recommended that funds for professional development and corresponding wage increases be a part of the quality enhancement funding structure.
- 3. STEP Aspirations** – The fact that a majority of childcare directors participating in STEP indicated that Level 3 was the highest level they felt they could attain, suggests a need to re-examine the progression structure and its requirements. If Level 5 is considered the pinnacle of childcare quality, it should also be a realistic goal within the reach of all centers. It is recommendation that there be a re-examination and re-design of program criteria at levels four and five which currently hinder the majority of childcare centers serving poor children from being able to attain the highest quality level.
- 4. Further Study** – It is recommended that a financial study of the uncompensated services provided by low-income childcare providers be conducted. Such a study has the potential of being quite enlightening and instructive.

## REFERENCES

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